

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1004 be amended to read as follows:

- 1 Page 144, between lines 11 and 12, begin a new paragraph and
2 insert:
3 "SECTION 134. IC 6-3.5-1.1-2, AS AMENDED BY P.L.135-2001,
4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
5 UPON PASSAGE]: Sec. 2. (a) The county council of any county in
6 which the county option income tax will not be in effect on July 1 of a
7 year under an ordinance adopted during a previous calendar year may
8 impose the county adjusted gross income tax on the adjusted gross
9 income of county taxpayers of its county effective July 1 of that year.
10 (b) Except as provided in section 2.5, 2.7, ~~or~~ 3.5, **or 3.6** of this
11 chapter, the county adjusted gross income tax may be imposed at a rate
12 of one-half of one percent (0.5%), three-fourths of one percent (0.75%),
13 or one percent (1%) on the adjusted gross income of resident county
14 taxpayers of the county. Any county imposing the county adjusted
15 gross income tax must impose the tax on the nonresident county
16 taxpayers at a rate of one-fourth of one percent (0.25%) on their
17 adjusted gross income. If the county council elects to decrease the
18 county adjusted gross income tax, the county council may decrease the
19 county adjusted gross income tax rate in increments of one-tenth of one
20 percent (0.1%).
21 (c) To impose the county adjusted gross income tax, the county
22 council must, after January 1 but before April 1 of a year, adopt an
23 ordinance. The ordinance must substantially state the following:

"The _____ County Council imposes the county adjusted gross income tax on the county taxpayers of _____ County. The county adjusted gross income tax is imposed at a rate of _____ percent (____%) on the resident county taxpayers of the county and one-fourth of one percent (0.25%) on the nonresident county taxpayers of the county. This tax takes effect July 1 of this year.".

(d) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.

(e) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.

(f) If the county adjusted gross income tax had previously been adopted by a county under IC 6-3.5-1 (before its repeal on March 15, 1983) and that tax was in effect at the time of the enactment of this chapter, then the county adjusted gross income tax continues in that county at the rates in effect at the time of enactment until the rates are modified or the tax is rescinded in the manner prescribed by this chapter. If a county's adjusted gross income tax is continued under this subsection, then the tax shall be treated as if it had been imposed under this chapter and is subject to rescission or reduction as authorized in this chapter.

SECTION 135. IC 6-3.5-1.1-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 3.6. (a) This section applies only to a county having a population of more than six thousand (6,000) but less than eight thousand (8,000).**

(b) The county council of a county described in subsection (a) may, by ordinance, determine that additional county adjusted gross income tax revenue is needed in the county to fund the renovation of the county courthouse.

(c) Notwithstanding section 2 of this chapter, if the county council adopts an ordinance under subsection (b), the county council may impose the county adjusted gross income tax at a rate of one and twenty-five hundredths percent (1.25%) on adjusted gross income. However, a county may impose the county adjusted gross income tax at a rate of one and twenty-five hundredths percent (1.25%) for only five (5) years. After the county has imposed the county adjusted gross income tax at a rate of one and twenty-five hundredths percent (1.25%) for five (5) years, the rate is reduced to one percent (1%). If the county council imposes the county adjusted gross income tax at a rate of one and twenty-five hundredths percent (1.25%), the county council may decrease the rate or rescind the tax in the manner provided under this chapter.

(d) If a county imposes the county adjusted gross income tax at a rate of one and twenty-five hundredths percent (1.25%) under

1 this section, the revenue derived from a tax rate of twenty-five
 2 hundredths percent (0.25%) on adjusted gross income:

- 3 (1) shall be paid to the county treasurer;
- 4 (2) may be used only to pay the costs of renovating the county
 5 courthouse; and
- 6 (3) may not be considered by the department of local
 7 government finance commissioners under any provision of
 8 IC 6-1.1-18.5, including the determination of the county's
 9 maximum permissible property tax levy.

10 (e) Notwithstanding section 3 of this chapter, the county council
 11 may adopt an ordinance under this section before June 1.

12 SECTION 136. IC 6-3.5-1.1-10, AS AMENDED BY P.L.135-2001,
 13 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]: Sec. 10. (a) One-half (1/2) of each adopting
 15 county's certified distribution for a calendar year shall be distributed
 16 from its account established under section 8 of this chapter to the
 17 appropriate county treasurer on May 1 and the other one-half (1/2) on
 18 November 1 of that calendar year.

19 (b) Except for:

- 20 (1) revenue that must be used to pay the costs of operating a jail
 21 and juvenile detention center under section 2.5(d) of this chapter;
- 22 (2) revenue that must be used to pay the costs of construction,
 23 improvement, or renovation of a jail under section 2.7 of this
 24 chapter; ~~or~~
- 25 (3) revenue that must be used to pay the costs of operating and
 26 maintaining a jail and justice center under section 3.5(d) of this
 27 chapter; ~~or~~
- 28 (4) revenue that must be used to pay the costs of renovating a
 29 county courthouse under section 3.6(d) of this chapter;

30 distributions made to a county treasurer under subsection (a) shall be
 31 treated as though they were property taxes that were due and payable
 32 during that same calendar year. The certified distribution shall be
 33 distributed and used by the taxing units and school corporations as
 34 provided in sections 11 through 15 of this chapter.

35 (c) All distributions from an account established under section 8 of
 36 this chapter shall be made by warrants issued by the auditor of the state
 37 to the treasurer of the state ordering the appropriate payments.

38 SECTION 137. IC 6-3.5-1.1-11, AS AMENDED BY P.L.135-2001,
 39 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 UPON PASSAGE]: Sec. 11. (a) Except for:

- 41 (1) revenue that must be used to pay the costs of operating a jail
 42 and juvenile detention center under section 2.5(d) of this chapter;
- 43 (2) revenue that must be used to pay the costs of construction,
 44 improvement, or renovation of a jail under section 2.7 of this
 45 chapter; ~~or~~
- 46 (3) revenue that must be used to pay the costs of operating and

maintaining a jail and justice center under section 3.5(d) of this chapter; or

(4) revenue that must be used to pay the costs of renovating a county courthouse under section 3.6(d) of this chapter;

the certified distribution received by a county treasurer shall, in the manner prescribed in this section, be allocated, distributed, and used by the civil taxing units and school corporations of the county as certified shares and property tax replacement credits.

(b) Before August 2 of each calendar year, each county auditor shall determine the part of the certified distribution for the next succeeding calendar year that will be allocated as property tax replacement credits and the part that will be allocated as certified shares. The percentage of a certified distribution that will be allocated as property tax replacement credits or as certified shares depends upon the county adjusted gross income tax rate for resident county taxpayers in effect on August 1 of the calendar year that precedes the year in which the certified distribution will be received. The percentages are set forth in the following table:

COUNTY	PROPERTY TAX	
	REPLACEMENT CREDITS	CERTIFIED SHARES
ADJUSTED GROSS INCOME TAX RATE		
0.5%	50%	50%
0.75%	33 1/3%	66 2/3%
1%	25%	75%

(c) The part of a certified distribution that constitutes property tax replacement credits shall be distributed as provided under sections 12, 13, and 14 of this chapter.

(d) The part of a certified distribution that constitutes certified shares shall be distributed as provided by section 15 of this chapter."

Page 153, between lines 13 and 14, begin a new paragraph and insert:

"SECTION 140. IC 6-3.5-7-5, AS AMENDED BY P.L.135-2001, SECTION 6, AS AMENDED BY P.L.185-2001, SECTION 3, AND AS AMENDED BY P.L.291-2001, SECTION 179, IS AMENDED AND CORRECTED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) Except as provided in subsection (c), the county economic development income tax may be imposed on the adjusted gross income of county taxpayers. The entity that may impose the tax is:

- (1) the county income tax council (as defined in IC 6-3.5-6-1) if the county option income tax is in effect on January 1 of the year the county economic development income tax is imposed;
- (2) the county council if the county adjusted gross income tax is in effect on January 1 of the year the county economic development tax is imposed; or

(3) the county income tax council or the county council, whichever acts first, for a county not covered by subdivision (1) or (2).

To impose the county economic development income tax, a county income tax council shall use the procedures set forth in IC 6-3.5-6 concerning the imposition of the county option income tax.

(b) Except as provided in subsections (c), ~~and~~ (g), ~~(j)~~, ~~and~~ (k), **and (l)**, the county economic development income tax may be imposed at a rate of:

- (1) one-tenth percent (0.1%);
- (2) two-tenths percent (0.2%);
- (3) twenty-five hundredths percent (0.25%);
- (4) three-tenths percent (0.3%);
- (5) thirty-five hundredths percent (0.35%);
- (6) four-tenths percent (0.4%);
- (7) forty-five hundredths percent (0.45%); or
- (8) five-tenths percent (0.5%);

on the adjusted gross income of county taxpayers.

(c) Except as provided in subsection (h), (i), ~~or~~ (j), ~~or~~ (k), **or (l)**, the county economic development income tax rate plus the county adjusted gross income tax rate, if any, that are in effect on January 1 of a year may not exceed one and twenty-five hundredths percent (1.25%). Except as provided in subsection (g), the county economic development tax rate plus the county option income tax rate, if any, that are in effect on January 1 of a year may not exceed one percent (1%).

(d) To impose the county economic development income tax, the appropriate body must, after January 1 but before April 1 of a year, adopt an ordinance. The ordinance must substantially state the following:

"The _____ County _____ imposes the county economic development income tax on the county taxpayers of _____ County. The county economic development income tax is imposed at a rate of _____ percent (____%) on the county taxpayers of the county. This tax takes effect July 1 of this year."

(e) Any ordinance adopted under this section takes effect July 1 of the year the ordinance is adopted.

(f) The auditor of a county shall record all votes taken on ordinances presented for a vote under the authority of this section and immediately send a certified copy of the results to the department by certified mail.

(g) This subsection applies to a county having a population of more than one hundred twenty-nine thousand (129,000) but less than one hundred thirty thousand six hundred (130,600). In addition to the rates permitted by subsection (b), the:

- (1) county economic development income tax may be imposed at a rate of:
 - (A) fifteen-hundredths percent (0.15%);

1 (B) two-tenths percent (0.2%); or
 2 (C) twenty-five hundredths percent (0.25%); and
 3 (2) county economic development income tax rate plus the county
 4 option income tax rate that are in effect on January 1 of a year
 5 may equal up to one and twenty-five hundredths percent (1.25%);
 6 if the county income tax council makes a determination to impose rates
 7 under this subsection and section 22 of this chapter.

8 (h) For a county having a population of more than thirty-seven
 9 thousand (37,000) but less than thirty-seven thousand eight hundred
 10 (37,800), the county economic development income tax rate plus the
 11 county adjusted gross income tax rate that are in effect on January 1 of
 12 a year may not exceed one and thirty-five hundredths percent (1.35%)
 13 if the county has imposed the county adjusted gross income tax at a rate
 14 of one and one-tenth percent (1.1%) under IC 6-3.5-1.1-2.5.

15 (i) For a county having a population of more than twelve thousand
 16 six hundred (12,600) but less than thirteen thousand (13,000), the
 17 county economic development income tax rate plus the county adjusted
 18 gross income tax rate that are in effect on January 1 of a year may not
 19 exceed one and fifty-five hundredths percent (1.55%).

20 (j) *For a county having a population of more than sixty-eight*
 21 *thousand (68,000) but less than seventy-three thousand (73,000), the*
 22 *county economic development income tax rate plus the county adjusted*
 23 *gross income tax rate that are in effect on January 1 of a year may not*
 24 *exceed one and five-tenths percent (1.5%).*

25 ~~(j) This subsection applies to a county having a population of more~~
 26 ~~than twenty-seven thousand (27,000) but less than twenty-seven~~
 27 ~~thousand three hundred (27,300). In addition to the rates permitted~~
 28 ~~under subsection (b):~~

29 ~~(1) the county economic development income tax may be imposed~~
 30 ~~at a rate of twenty-five hundredths percent (0.25%); and~~
 31 ~~(2) the sum of the county economic development income tax rate~~
 32 ~~and the county adjusted gross income tax rate that are in effect~~
 33 ~~on January 1 of a year may not exceed one and five-tenths~~
 34 ~~percent (1.5%);~~

35 ~~if the county council makes a determination to impose rates under this~~
 36 ~~subsection and section 22.5 of this chapter:~~

37 (k) *This subsection applies to a county having a population of more*
 38 *than twenty-seven thousand (27,000) but less than twenty-seven*
 39 *thousand three hundred (27,300). In addition to the rates permitted*
 40 *under subsection (b):*

41 *(1) the county economic development income tax may be imposed*
 42 *at a rate of twenty-five hundredths percent (0.25%); and*
 43 *(2) the sum of the county economic development income tax rate*
 44 *and the county adjusted gross income tax rate that are in effect*
 45 *on January 1 of a year may not exceed one and five-tenths*
 46 *percent (1.5%);*

1 *if the county council makes a determination to impose rates under this*
2 *subsection and section 22.5 of this chapter.*

3 **(l) For a county having a population of more than six thousand**
4 **(6,000) but less than eight thousand (8,000), the county economic**
5 **development income tax rate plus the county adjusted gross income**
6 **tax rate that are in effect on January 1 of a year may not exceed**
7 **one and five-tenths percent (1.5%) if the county has imposed the**
8 **county adjusted gross income tax at a rate of one and twenty-five**
9 **hundredths percent (1.25%) under IC 6-3.5-1.1-3.6."**

10 Renumber all SECTIONS consecutively.

(Reference is to HB 1004 as printed January 22, 2002.)

Representative Hoffman